



Post Office Box 1028
Beaufort, S.C. 29901-1028

(843) 982-0405 fax: 982-0707

HARBOR ISLAND UTILITIES, INC.

June 19, 2019

The Honorable Jocelyn G. Boyd
Chief Clerk/ Administrator
Public Service Commission of SC
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Harbor Island Utilities, Inc.

Dear Ms. Boyd:

When the Public Service Commission of South Carolina approved our current rates on February 1, 2017 (Docket No. 2016-29-WS - Order No. 2017-80(A)), it included a provision in the Schedule of Settlement Rates and Charges that allows us to pass through rate increases we incur.

We purchase our water from the Beaufort-Jasper Water & Sewer Authority (BJWSA) through a line owned by the Fripp Island Public Service District (FIPSD). We recently received a notice from BJWSA stating that our water cost will increase by \$0.10 (10¢) per thousand gallons effective July 1, 2019. Additionally, we received a notice from the FIPSD that the transportation fee will increase by \$0.01 (1¢) per thousand gallons effective July 1, 2019. Please see the enclosed copies of those letters. The combined increases will be \$0.11 (11¢) per thousand gallons. For a household that uses 250 gallons of water per day, the combined increase would be approximately \$0.825 (82.5¢) per month.

Per the approved tariff, Harbor Island Utilities, Inc. (HIU) hereby notifies the PSC of the slight rate increase.

HIU plans to notify customers with the next billing of the pending increase. A draft copy of that notice also is enclosed.

A Letter to Ms. Jocelyn G. Boyd
PSCSC
June 19, 2019
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Please let me know if you need any additional information.

Sincerely,



Robert G. Gross
President

Enclosures

Copy of Letter from BJWSA dated May 29, 2019

Copy of Letter from FIPSD dated June 14, 2019

Draft Letter to HIU Customers

Copy: The Honorable Nanette S. Edwards, Executive Director, Office of Regulatory
Staff (w/enclosures)



6 SNAKE ROAD, OKATIE, SC 29909-3937
Phone 843.987.8100 | Fax 843.548.0096
Customer Service 843.987.9200
Operations & Maintenance 843.987.8046
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www.bjwsa.org

Our mission: Inspire trust and enhance public health

JOE MANTUA, PE, GENERAL MANAGER
843.987.8044 (o) | 843.540.4002 (c)

May 29, 2019

Harbor Island Utilities, Inc.
Mr. Robert G. Gross, President
P.O. Box 1028
Beaufort, SC 29901-1028

Re: Wholesale Water Rate Increase

Dear Mr. Gross,

Please accept this letter as notification that your Wholesale Water Rate will be increasing effective July 1, 2019. After updating our cost of service model, the new rate per 1,000 gallons will be \$2.97, which is a 3.5% (\$0.10/kgal) increase. The Board adopted this rate at the May 23, 2019 meeting.

There have been no allocation changes or methodology changes in the calculation of your rate. For FY2020, total operating expenses are increasing 7% over FY2019 forecasts primarily due to increases in personnel and benefit costs, professional fees, maintenance, and residuals management costs. Wholesale consumption is projected to increase 0.4% from FY2019 to FY2020. Retail consumption is projected to increase 1.8% from FY2019 to FY2020. With this rate increase, we are only recovering 90% of allocated costs for Harbor Island Utilities.

You are a valued wholesale customer and we welcome any inquiries you may have about our rates. If you have any questions or concerns, please feel free to contact me at 843-987-8081 or email me at sarah.linkimer@bjwsa.org.

Sincerely,

Sarah Linkimer
Sarah Linkimer



**FRIPP ISLAND
PUBLIC SERVICE DISTRICT**

291 Tarpon Boulevard
Fripp Island, SC 29920
(843) 838-2400
Fax (843) 838-4900

June 14, 2019

Mr. Robert G. Gross
The Beaufort Group, LLC
P.O. Box 1028
Beaufort, SC 29901-1028

**Re: Harbor Island Utilities, Inc.
Annual Water Transportation Fee Adjustment &
Annual Effluent Disposal Fee Adjustment
File #102-05**

Dear Bob:

For our fiscal year 2020, effective July 1, 2019, the water transportation fee for water delivered to Harbor Island Utilities, Inc. will increase from \$0.35 per thousand gallons to \$0.36 per thousand gallons. The Commission for the Fripp Island Public Service District approved the new rate during the June 11, 2019 meeting in accordance with the March 24, 1999 Water Service Agreement.

Effective July 1, 2019, the effluent disposal fee will remain the same as the prior year: \$0.08 per thousand gallons. If the effluent requires additional treatment prior to disposal, the fee will be the same as our current commercial rate of \$6.15 per thousand gallons. The Commission for the Fripp Island Public Service District approved the rate during the June 11, 2019 meeting in accordance with the March 30, 2004 FIPSD – HIU Settlement Agreement.

Sincerely,

FRIPP ISLAND PUBLIC SERVICE DISTRICT

Angel L. Hughes
Manager

HARBOR ISLAND UTILITIES, INC.
P.O. BOX 1028
BEAUFORT, SC 29901-1028

July 11, 2019

Dear Harbor Island Utilities Customer:

When the Public Service Commission of South Carolina approved our current rates in January 2017, they included a provision that allows us to pass through rate increases we incur.

We purchase our water from the Beaufort-Jasper Water & Sewer Authority (BJWSA) through a line owned by the Fripp Island Public Service District (FIPSD). We recently received a notice from BJWSA stating that our water cost will increase by \$0.10 (10¢) per thousand gallons effective July 1, 2019. We also received a notice from the FIPSD that the transportation fee will increase by \$0.01 (1¢) per thousand gallons effective July 1, 2019. The combined increases will be \$0.11 (11¢) per thousand gallons.

Accordingly, we are notifying you that your water rates will increase from \$5.43 per thousand gallons to \$5.54 per thousand gallons. For a household that uses 250 gallons of water per day, the combined increase would be approximately \$0.825 (82.5¢) per month.

We anticipate that these changes will become effective August 11, 2019 and that you will see it in the bill you receive in mid-September.

Please call with any questions (843) 982-0405.

Sincerely,

Robert G. Gross
President